

JENNIFER HERZ ASSISTANT COUNSEL CONNECTICUT BUSINESS AND INDUSTRY ASSOCIATION BEFORE THE GENERAL LAW COMMITTEE LEGISLATIVE OFFICE BUILDING FEBRUARY 26th, 2013

Good Afternoon Senator Doyle, Representative Baram and members of the General Law Committee. My name is Jennifer Herz and I am testifying today on behalf of the Connecticut Business and Industry Association. CBIA's 10,000 member companies represent the broad diversity of Connecticut's businesses, and the vast majority of our members are small companies with fewer than 50 employees.

Thank you for hearing testimony today in opposition to S.B. 922 An Act Concerning the Connecticut Unfair Trade Practices Act.

Connecticut's current law explicitly states the legislative intent that the courts of Connecticut "shall be guided by interpretations given by the Federal Trade Commission (FTC) and the federal courts to ... the Federal Trade Commission Act ..., as from time to time amended."

Thus, if **S.B. 922** is passed, it is unclear what standard Connecticut Courts may use as they will be without guidance from Federal Law. The current language only requires that individuals not engage in "unfair or deceptive acts or practices in the conduct or any trade or business." It is important that our Courts are provided guidance regarding their interpretation of the CUTPA statute, as it is by nature a very broad and amorphous statute with far reaching implications.

Without legislative guidance, the Courts may choose to broaden the standard to bring CUTPA claims. If this occurs, Connecticut businesses may see a sharp increase in claims filed against them. This could mean a drastic rise in litigation costs for our small as well as large employers. In a climate in which most business are already struggling, this potential added burden could force some to close their doors or head to other, more competitive states.

CBIA strongly urges you oppose SB 922, and help to maintain a more predictable and competitive environment for Connecticut businesses.